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Title: The Minister of State in the Ministry of Petroleum and Natural Gas and Minister of State in the Ministry of Textiles laid a statement correcting the reply given on 10.03.11 to Unstarred Question No. 2423 by Dr. Mahesh Joshi, MP regarding "Ownership of Natural Oil and Gas Resources" and giving reasons for delay in correcting the reply.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRIMATI PANABAKA LAKSHMI): Madam, with your kind permission, I want to lay a Statement of correct version.

As per Article 27.1 of Production Sharing Contract (PSC) under New Exploration Licensing Policy (NELP), the Government of India is the sole owner of Petroleum underlying the Contract Area and shall remain the sole owner of Petroleum produced pursuant to the provisions of this Contract except that part of Crude Oil, Condensate or Gas the title whereof has passed to the Contractor or any other person in accordance with the provisions of this Contract. The Hon'ble Supreme Court in Reliance Industries Limited – Reliance Natural Resources Limited (RIL-RNRL) case has also reiterated that all natural gas vests in the Union of India by virtue of Article 297. However, in accordance with Article 371 A of the Constitution of India, the Nagaland State Assembly on 26th July, 2010 had passed a Resolution that in respect of "ownership and transfer of land and its resources" including mineral oil, no Act of Parliament shall apply to the State of Nagaland, which shall make appropriate Rules to apply and enforce within the State of Nagaland. The matter has been considered in consultation with the Ministry of Home Affairs. Ministry of Home Affairs is of the view that Article 371-A (a) does not confer legislative power to the Legislative Assembly of Nagaland for regulation and development of mineral oil. The power to make law in respect of subjects covered under List-I of the Seventh Schedule of the

Constitution of India including entry 53 of List-I rests with the Parliament. As such, the Nagaland Petroleum and Natural Gas Regulations, 2012 notified by the Government of Nagaland as well as the Resolution passed by the Nagaland Assembly in July, 2010 lack constitutional validity.

...(*Interruptions*)

12.28 hrs